

## Media Plurality Series: European Level Inertia is not Justified



*In the next post in our Media Plurality Series curated together with the Media Power and Plurality Project, **Petros Iosifidis** of City University London looks at developments at the European level and calls for action to set criteria for two kinds of measurement mechanisms.*

The rationale for public intervention on media ownership is twofold: to prevent excessive media concentration and the accumulation of power in the hands of a few, and to promote media pluralism (the presence of a number of different and independent voices) and diversity in the media (different political opinions and representations of culture within the media). It has long been argued that traditional conglomerates like News Corporation and Disney can endanger a pluralistic, competitive media system, but pluralism debates have gained momentum in recent years with the increasing power of 'new' global giants, such as Google, Facebook and Amazon. There has been a hot debate at the EU level as to whether there should be a Europe-wide intervention to curb the power of such media companies or whether this can be accomplished at the Member State level.

### Previous action

During the 1980s and 1990s, following repeated requests by the European Parliament, the European Commission attempted to implement media ownership regulation across Europe. This was unsuccessful because no agreement could be reached on the unit of measuring media concentration and pluralism. In the 1990s, following the debate on media concentration at the European level (initiated by the EU 1992 Green Paper *Pluralism and Media Concentration in the Internal Market*), the view emerged that it was possible to measure 'influence' exerted by applying audience-based criteria (readership, audience reach, viewing or listenership share).

The argument was that while financial units (companies' market share, shares of assets, value-added, sales, advertising revenue) are closer to the traditional systems of concentration measurement, which permit assessment of media market concentration or even the existence of a dominant position, audience-based methods might be more effective for the measurement of influence in the market-place.

More recently, the *Independent Study on Indicators for Media Pluralism in the Member States – Towards a Risk-Based Approach* (2009) split the concept of pluralism into three normative dimensions – political, cultural, and demographic pluralism – as well as three operational dimensions – pluralism of media ownership or control, pluralism of media types, and genres. While the study urges the application of the same analytical framework in all Member States to ensure comparability of results obtained, it is not a call for a harmonization of policies. Neelie Kroes, the current EU Commissioner in charge of media, established two advisory groups to examine concentration and pluralism: the *High Level Group on Media Freedom and Pluralism* and the *Centre for Media Pluralism and Media Freedom*. Both produced reports in 2013 calling for action to protect media pluralism and media freedom.

### The first step: a common definition

The debate on media pluralism has been kept alive with the commissioning of independent studies and reviews, but there has been little sign of action. The prevailing notion is that pluralism can be tackled adequately at a Member State level, because a pan-Europe approach could jeopardise national press and broadcasting traditions that are often connected to specific political histories, cultures and language traditions.

There have been initiatives to establish some common European-wide ways of assessing media plurality, the most ambitious of which is probably the Commission's efforts to implement a **Media Pluralism Monitor**. However, reaching agreements around the right methods of measuring media concentration and pluralism has proven to be problematic. The two different sets of methods illustrated above (audience and revenue -based) are said to correspond to two levels of measurement of concentration in the information market: the political/cultural or pluralism, and the economic or concentration of resources. It is argued that audience-based methods are coherent with the cultural/political standpoint and that revenue-based methods are close to the traditional systems of concentration measurement. However, due to the close relationship between economic power and pluralism, audience figures could also measure market power.

In fact, audience-based measures are a form of market share measurement, which is a classic economic measurement. 'Audience' are the equivalent of measuring sales (that is, market share), which is a classic economic measure of power. Therefore, the distinction between economic measures and cultural/political measures is irrelevant. Both sets of media market measurement assess market power.

In the absence of a direct way of establishing 'impact', crude measures based on market power (criteria about market structure) are used instead. And what the audience and revenue-based methods are doing is in fact that – they evaluate market power. So, both sets of criteria should be used. Regulatory agencies should come up with clear measurement criteria in order to understand fully and eventually curb media power across Europe. After all, Europe-wide networks of regulators, such as **EPRA** (European Platform of Regulatory Authorities) and **BEREC** (Body of European Regulators for Electronic Communications), have their hands on data from both types of measures. Inertia is not justified as it will almost certainly result in further consolidation.

*This blog post gives the views of the author, and does not represent the position of the LSE Media Policy Project blog, nor of the London School of Economics.*

*Petros Iosifidis, along with his co-editors, will be launching a new book series on Global Media Policy and Business at an afternoon **event on 17 December, 2013** at City University.*

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